

USDA - APHIS

TRANSCRIPT OF PUBLIC COMMENTS RECEIVED DURING THE
NATIONAL ANIMAL ID PROGRAM LISTENING SESSION

FRIDAY, AUGUST 13, 2004

MONTANA STATE UNIVERSITY - BILLINGS
1500 UNIVERSITY DRIVE
LIBRARY BUILDING ROOM 148
BILLINGS, MONTANA
3:00 P.M.

IN ATTENDANCE:

BILL HAWKS, UNDER SECRETARY, MARKETING AND REGULATORY PROGRAMS

DR. VALERIE RAGAN, ASSISTANT DEPUTY ADMINISTRATOR

RICHARD KELLY, MODERATOR

(The meeting began at 3:11 p.m. and opening comments were made by Mr. Bill Hawks and Dr. Valerie Ragan.)

MR. KELLY: Thank you, Dr. Ragan, for your presentation. I'd like to mention first off that the same website where you can submit comments in writing later on will also have transcripts of these listening sessions posted on them within a few days after each session occurs, so there's already quite a number of transcripts up there, and this one will be up there as well.

I'd like to describe the next process we're going to be using to get your input in the session. You'll notice that this portion is being transcribed, by the way, by Jennifer Knight, over at that table. She'll be talking into a mask during it, while transcribing, so don't worry about the mask.

Okay. Each speaker from the audience, and we have about 16 of you signed up so far--each speaker will have three minutes to provide these comments. That will take--that will take just under an hour to hear all 16 of you. There should be some time afterwards for Mr. Hawks and Dr. Ragan to respond to any questions that you might have brought up during the presentations.

We're going to have each of you to come up to speak from here. We've got a green light, yellow light, red light system to remind you of the time. It is quite simple. That little box over on the table there will be green for most of your three minutes. It will start flashing green when you have one minute to go, and then it'll turn yellow when you've got 15 seconds to go. So if you'll use that to help yourselves wrap up when you see the light turn yellow, then you'll be able to stay within your three minutes.

Beyond that, there's just a couple of other things, and then we'll get going. To speed things along, I'm going to call you up in groups of five in the order you signed in, so I'll ask the first five people to come up and sit down on this front row so that it will be easy to get up to the podium when

it's your turn. And after those first five have spoken I'll call up the next five and so on.

The first five people who signed in to speak, and if you'll come down to the front row, please, were Mary Ann Murphy, Paul Ringling, Ben Church, Jeanne Charter, and Kenny Fox. If you'd come up right here, and Mary Ann, you'll be the first one to speak. Mary Ann, if you can come right up to the podium.

MS. MURPHY: Good afternoon, and thank you for giving me the opportunity to address the issue of the National Animal Identification Program. I am Mary Ann Murphy, a rancher from Montana and president of Montana Women Involved in Farm Economics and chairman of the National Animal Identification Program for the Montana Cattlemen's Association.

We are requesting a cost benefit risk analysis to see if needed, beneficial, and will serve any purpose. NAIS is needed, according to your website, for foreign animal disease control, surveillance, and prevention. Foreign animals need to be identified and tracked in order to track a foreign animal disease.

Tracking a foreign animal disease can be much different than tracking an individual animal. My understanding, at USDA that the only time animal movement would be tracked is change of ownership. Disease can be transmitted by feed, water, soil, individual animal contact, parasites, and who knows what else.

Please allow me to give you a few different scenarios. Let's think about having to take an animal to the vet, an animal that gets into the next pasture, county fair, livestock exposition, exhibitions. How about the trucks they're hauled in and the scales where they're weighed? Let's look at feed lots, where maybe there's only 30,000 head. What about the cowboys who ride on rodeos in the

weekend with the same horse that they ride pens with as pen riders? And then there's animals at feed lots that crawl through and eats out of another pen's trough. Or an animal that goes to the hospital in a feed lot and stays there three to seven days before he goes back to his own pen. Where have all the people been, and were their shoes disinfected when returning to the feed lot? No, they aren't.

Let's talk about feed companies and where they procure their ingredients. Most people feed what they've not grown themselves, so they have no way of knowing exactly what an animal has eaten. You would have to know the company, the lot number, and the exact location where each bag of mineral was mixed and where the companies had procured their ingredients.

USDA must do their job first, which are regulations that are already in place. Canada traced a BSE cow back to their producers and to my knowledge it has yet to be determined what the real source of the contamination was. The original producer will be financially ruined, but you will have a place you can point the finger. Setting up an identification system can be relatively easily done; however, will it really achieve the goals of the system and justify the tremendous expense?

What about confidentiality? Some lawyers in D.C. think confidentiality cannot be excluded from the Freedom of Information Act if mandatory. The decision will end up in court with more money spent. In Montana, we have registered brands that have made it possible to trace any problems back to their owner and we've been able to handle the problems that have arisen.

In conclusion, Montana Cattlemen's Association and Montana WIFE urge a cost-benefit-risk analysis study to be taken to see if needed, beneficial, or would serve any purpose. Thank you.

MR. KELLY: Thank you. Perfect timing.

(Applause.)

MR. RINGLING: I'd like to thank you all for coming to Big Sky country, and you, lady, pitched a whole load at us. The Montana Cattlemen's--I'm Paul Ringling, president of Montana Cattlemen's Association. I enjoyed meeting Mr. Hawks down in Denver at the R-CALF convention.

We're asking--the Montana Cattlemen's Association is asking for a cost-benefit analysis of the Animal ID program, and we feel it should be no burden on the producer. The Cattlemen's Association believes that at the present time Montana has a good system, a working system, and maybe with a little bit of tweaking we feel that's the system, as far as the producers in Montana, is the one we would like to stick with.

The Montana Cattlemens' Association further requests that all imported cattle--and I'd like to emphasize this--have a permanent ID. And when I say permanent, there's only one, as far as we're concerned, and that's a hot iron brand. Thank you.

(Applause.)

MR. CHURCH: Good afternoon. I'm here representing the Holstein Association USA. This country's animal agriculture producers, including the Holstein Association USA's 35,000 members are at risk today from threats of additional cases of BSE in this country and threat of foot and mouth disease. It is our belief that animal identification for production and agriculture is this country needs to be mandatory.

Additionally, it cannot be technology neutral. RFID technology is the most accurate, efficient, and cost-effective form of animal ID in the country today and for years in the future.

Without a mandatory animal identification program in this country, we will continue to be denied market access to certain countries throughout the world. Currently, 58 countries have banned

U.S. beef since BSE was identified in Washington State late last year.

The National F.A.I.R. [Farm Identification & Records] program, which is coordinated by the Holstein Association, is an animal ID and traceability program in place and working today that incorporates RFID tags. The National F.A.I.R. program provides each animal with a unique identification number and uses electronic RFID ear tags to identify and track animals. Similar to a Social Security number or a car's vehicle identification number, the number stays with the animal for its lifetime.

The Holstein Association USA has worked cooperatively with USDA, APHIS, and Veterinary Services since 1999 to design, develop, and demonstrate a pilot project for a National Livestock Identification Program that will trace livestock from farm to farm and farm to market and market to processing unit. This goal has been accomplished, as the National FAIR program has been identifying and tracing animals from birth to slaughter for several years. The National FAIR program has an infrastructure already in place consisting of a comprehensive database, a dedicated tech provider, and a coordinated field service staff.

The National F.A.I.R. program was developed by producers, for producers. Currently there are well over 1.3 million animals in the National F.A.I.R. database. Information for security in the F.A.I.R. system includes where and when the animal was born, what locations the animal has been at, such as farms, markets, or processing plants, what animals the animal--what livestock the animal has had contact with, and eventually where the animal was slaughtered.

Information in the National F.A.I.R. database allows for the tracing of animal movements from birth to slaughter in as little as a few minutes. As part of the system, tag readers that are designed to

read electronic tags are already in place in markets and processing facilities throughout the United States.

Ladies and gentlemen, a National Animal Identification Program needs to be implemented in now.

MR. KELLY: Is Jeanne Charter still interested?

MS. CHARTER: My name is Jeanne Charter. I'm speaking on behalf of the Northern Plains Resource Council. We are in support of the Western Organization Resource Council's position, which is going to be presented to you later. I've got a couple of specific points here of great concern to us. One is, we are opposed to a nationalized semi-privatized through subcontract system. If anything is done, it should be done through the state agencies that have long-standing relations with producers and are accountable to us, and I don't think things would get as out of hand.

We also are very concerned that you're looking at interstate control but not at imported animals. And this whole thing would just put us at another incredible competitive disadvantage just implementing it in this country with the amount of imports we're talking about.

I'd like to point out that my understanding is that if you want to decrease animal disease, you decrease animal movements. And it's well known. And there's nothing in any of these proposals, and it's accelerating, out of control right now internationally.

The proposals seem to us to push towards a greater potential for abuse. You mentioned proprietary information. The other one we're concerned about is profiteering, between people pushing products and subcontractors, private subcontractors, getting advantage from their position with a nationalized program. I don't think that would happen as badly at a state level.

And another one we're concerned about is unwarranted liability at the basic producer level.

You have concerns about designating diseases, get this kind of program in place and we can be blamed for all sorts of things. "I know it didn't happen in the kill floor or processing or at the feed lot; it must have happened back at the ranch." And I can see that coming on this.

At any rate, our main concerns are that this not be a nationalized, privatized program. Thank you.

MR. FOX: Thank you for letting me comment on this. My name is Kenny Fox, and I'm a member of the South Dakota Stockgrowers Association and R-CALF USA, and a third-generation rancher. I have some serious concerns with the cost, confidentiality, and implementation of this project. I would like to take my brief time to mention the objectives of my respective organizations.

Our objectives in developing an animal ID program are as follows. To clarify an independent purpose and need of a National Animal Identification Program and implement effective measures to prevent the misuse and abuse of proprietary information. Based on the National Animal Identification goals stated in the USAIP plan dated December 23rd, 2003, a stated goal is to achieve a traceback system that can identify all animals and premises potentially exposed to an animal with a foreign animal disease within 48 hours.

It must be noted that this being a National Animal ID System it's limited only to identifying and tracking the movement of live animals. It does not provide the ability to trace a meat product downstream through fabrication, manufacturing and slaughtering the cattle or to associate a specific meat product with a live animal. Thus, the program, by its definition within the USAIP plan, ends at

the point of the animal's slaughter.

Number two. Validate both the costs and the benefits of implementing the National Animal ID plan which can only be done following the completion of a comprehensive, science-based, cost-benefit analysis.

Number three. Evaluate the effectiveness of current state and regional animal identification methods that may already meet the intended purpose of a National Animal ID program or that would be easily assimilated into a nationwide plan at little to no cost.

Number four. Ensure that if all costs of the implementation of the National Animal Identification Plan is considerable, which according to the USA plan is the case, then a means other than allocating these costs to the U.S. live cattle industry must be found.

Number five. Ensure that if the network infrastructure is needed to enable a National Animal ID Program, that the infrastructure is designed to accommodate other needed services in rural America rather than simply maintaining information about livestock. Such a system may allow for the sharing of infrastructure-related costs among many industries and service providers, such as rural healthcare providers.

Number six. Ensure that the current rush to implement a National Animal ID Program does not distract the United States from its far more immediate and important responsibility, which is protecting the United States cattle herd from the introduction of foreign animal disease.

I have some more that I would like to submit to you. Thank you.

MR. KELLY: Thank you, Mr. Fox. Our next five speakers will be Bill Cluck, Leo McDonnell, Lyle Quick, Woody Barth, and Norman Hayes.

MR. CLUCK: Hi. I'm Bill Cluck, member of the South Dakota Stockgrowers, R-CALF USA, and third-generation rancher. My family has ranches in Montana, South Dakota, Nebraska, and Texas, and feed lots in Nebraska and Texas.

We've heard a great deal about animal ID and what it is designed to do; however, it is important to point out the current legislation denies animal ID can make a difference in protecting US producers and consumers. Before animal ID can proceed, a primary measure of identification is needed. We are all bothered by the government's resistance to both implement and enforce our primary line of defense that will prevent the introduction of diseases into the United States and for quickly identifying foreign meat and foreign cattle that are, by definition, the primary means of transmitting foreign animal disease.

R-CALF USA has called on Congress and USDA to implement and enforce the following measures to provide our industry and consumers with a first line of defense against both the introduction of foreign animal diseases and the potential spread of foreign animal disease.

Our points are as follows: Mark all imported cattle with a permanent mark of origin. Identify all the imported cattle already in the United States with a permanent mark of their origin. Implement country of origin labeling so that in the event of a disease outbreak in a foreign herd, all foreign cattle and foreign beef can be immediately identified and quarantined. Make regulations that prohibit the importation of beef or cattle from any country where BSE and FMD are known to exist.

In May of 2003, when Canada discovered a case of BSE, our brand office received a call from the Montana Department of Livestock asking for help in tracing several Canadian bulls that had traveled from Canada through Montana into South Dakota, and they were known to be siblings of the

BSE-infected cow from Canada. Through the use of our brand inspector records, our chief brand inspector was able to trace and report the movement of those bulls within the state of South Dakota within three hours.

A hot brand is the only truly permanent mark of identification. A brand cannot be removed until an animal's hide is removed. Electronic tags and microchips can either be removed or they can shift under the skin until they are no longer readable by a scanner. While electronic tags may sound like a great use of new technology, they are actually very impractical in a ranching situation.

Ranchers like me, who operate on the open range, have found that ear tags are very difficult to keep in place. In addition, we do not have our cattle in a confined area where they can easily be accessed for tagging or scanning. R-CALF USA recently commissioned a scientific review of information that shows the value to the U.S. cattle industry of tracking foreign cattle that enter the U.S. is conservatively \$80 million per year. And the study shows that if a BSE case is detected in a foreign animal that's been tracked in the U.S., the value to our industry is over \$500 million.

If Congress and government agencies will meaningfully implement and enforce these primary lines of defense against the introduction and spread of foreign animal diseases, U.S. producers will then be receptive to considering additional costs associated with implementation of a secondary line of defense. Thank you.

MR. MCDONNELL: Leo McDonnell, president of R-CALF. My presentation isn't very formal, it's just some notes I had here, and I want to thank Under Secretary Hawks and Dr. Ragan. I had a chance to visit with them last fall. Thank you for putting on these hearings and you're doing an excellent job.

Some of the concerns that I have is, one, and you've heard it before, the use of existing programs. It was good to hear Dr. Ragan bring up that you are looking at brands possibly. Certainly we hope that's something that USDA recognizes, that that's something beneficial for tracking, and I hope you stay on that. It's served us very well, brands, and I think it's helped eradicate brucellosis and TB and whatnot in this country.

I hope you'll keep it flexible enough for individuals to use not only for animal trace-backs but also for marketing purposes or production purposes, which you all alluded to.

The second thing I'd like to bring up is my hopes that this will end up in private industry hands with USDA oversight and cooperating with the state agencies. I believe you'll find it would be much more efficient, and I think you'll find cooperation from the industry to be a lot higher.

But one of the real concerns I'd like to throw out today, and that is, if we increase the regulatory burdens on U.S. producers that we not reduce the regulatory standards and compliance for imported beef and live cattle from countries that have non-native diseases to the United States, such as FMD and BSE. I think that will be a real mistake to increase our regulatory burdens and to decrease their regulatory requirements.

The other thing I'd like to point out is the confidentiality, which you've brought up today. There's a real concern going on, and, of course, you have a real live model going on in Canada. And the packers, such as in the case in Canada, such as Cargill, can identify cattle of known ownership. They can count against us. And I think that we have that real live model out there today. And I know Under Secretary Hawks, that's one of his concerns, but you're not gonna be here in 10 years. That's one of our concerns, that somebody else, maybe that doesn't have our concerns quite as high as you,

will have control of this program.

I believe it should be limited in use, just for an animal traceback. I think we need some real clarifications on liability of animal traceback. There's concern about that, and as this program moves forward, I hope the USDA clarifies that and limits its use. Thank you.

MR. KELLY: Lyle Quick.

MR. QUICK: My name is Lyle Quick, and I don't represent anybody but myself and the bank. So---

MR. HAWKS: Been there, done that.

MR. QUICK: Let me say, most of the things that we talked about earlier I'm in complete agreement with, but the greatest concern that I hear out in the countryside is that confidentiality issue and--and I think it's founded, because the fact is, is that I realize that Secretary Hawks, that you are very convinced that it will be confidential, but if you look back at the track record of USDA only a couple of months ago, they were caught red-handed shipping meat in from Canada. So, what you may say doesn't hold much water as far as I'm concerned and a lot of other people.

One of the things that I think that Dr. Ragan made very clear is the need for something like this, and I would agree. The problem is, we're starting at the wrong place. If you look at what's happened--and, you know, I can't say for sure, but I know most of the diseases that were up on the screen up here, probably the origin of them come from some foreign country. There's where you need to start with all of the ID and all of those things.

And the truth of the matter is, is I think we've got it pretty well under control here in our country. I'm amazed--I've been in this business 45 years. I can't hardly believe I've still got a bunch of

cattle and I'm still around. I don't know what happened, but the big bad wolf ain't got me yet.

So, if you want to--and I realize too, the movement of meat and animals and what have you is probably the primary cause of the disease being transmitted. So I can only say that until we take care of our borders, until we stop and have checks on foreign meat, it isn't gonna do us any good because we're only reacting after the fact. So, let me say---

(Applause.)

I say, go home, think about this for a little while, and think what you really need to do if you're serious about good food for John Q. Public, and then come back, and when you take care of the foreign thing, you will have all of us on your side. I'll guarantee it. We'll all help you get it done. Thank you.
(Applause.)

MR. BARTH: Good afternoon. My name is Woody Barth. I'm a North Dakota rancher and member of the board of directors of the North Dakota Farmers Union, the state's largest general farm organization. In North Dakota we represent more than 36,000 family farms and ranchers and we thank you for the opportunity to comment on this National Animal Identification Program.

In the rush to create a National ID System, the concerns of family farmers and ranchers must be heard. First of all, we're concerned about the cost burden on the producers. Cost of implementing a verifiable identification system is of great concern to livestock producers facing the possibility of any ID program. USDA plans to provide most of the cost of the animal identification over the next five years. The remaining costs of the program are to be paid by the state governments and industry participants. Because of the program's national scope and interest, it may be more appropriate for the public to bear a greater burden for the development and day-to-day management of this program.

Second, the liability attached to the data sharing. Any type of traceback program runs the risk that the information may be unfairly or inappropriately accessed and utilized by others. Therefore, it is necessary to use firewalls in the ID program, especially exemption from the Freedom of Information Act. Furthermore, the information must be maintained by a public agency such as USDA to ensure that proprietary information is not revealed.

Additionally, producers should not be liable for any food contamination instances that occur, such as E. coli contamination of meat by a processor, beyond the control of farmers and ranchers.

Third, country of origin labeling. North Dakota Farmers Union believes that the information gathered from the National ID System should be maintained and utilized for mandatory country of origin labeling at the retail level. The Secretary of Agriculture already has the Congressional authority and discretion to implement the program as mandated by the 2002 Farm Bill. American agriculture producers want the labeling program, American consumers want a labeling program, our trade partners want a U.S. labeling program.

Producer responsibilities. We believe the USDA needs to make clear producer's responsibilities in implementing a National ID Program. Due to the overwhelming number of questions in the countryside, a comprehensive educational component to educate producers of their responsibilities is needed.

While a National ID Program appears imminent, given our trade, consumers, and national security issues, many questions and concerns must be answered before a verifiable animal identification program can be implemented. We at the North Dakota Farmers Union and the National Farmers Union are willing to assist you. Thank you.

MR. HAYES: Mr. Hawks and Dr. Ragan, I wish to thank you for this opportunity to provide input to implement the National ID Program for disease traceback. I'm Norman Hayes of Montana. I worked for almost 15 years with IBM designing and installing systems, 40 years manufacturing livestock identification in 25 countries, and a rancher with over 1,000 head of mother cows, six years on the national board of the breed association.

I've read the transcripts from your first five meetings, and, to the point, the ISO 11874 and 5 is not practical for the National Bovine Program. A very short reading distance of 10 to 20 inches severely limits the movement of cattle and in many cases the lack of facilities make it impossible.

Number two, 11784 and 5 has been duplicated, the numbers, and those numbers will continue to be duplicated. The integrity of the system has been compromised and it's outdated. As so many before me have stated, we need a KISS system. We know what that is. The option of using ultra-high frequency bands is a good one. It has the latest in RFID and hundreds of millions of dollars have been invested in its testing and development through manufacturers with many applications, and--with Wal-Mart leading the pack and many companies following their lead.

The multiple companies manufacturing the hardware, such as tags, antennas, readers, reduces the costs and makes these tools available to our industry. Software, such as developed by Sun Microsystems, makes for a seamless database with built-in firewalls for confidentiality. In the USDA, only those numbers required for traceback while allowing breeders and other organizations to choose the options they wish.

This system improves the speed and accuracy, saving money for the breeder, the market owners, feed lots, packing plants, and with automatic transfer with a number to the hook and onto the

box, true to the retailer and the consumer.

The UHF system makes it possible to read the movement of livestock in groups of 10 to 100 and even single file. In spite of the second--with data printout--including a second data printout. This can be done in a small holding pen, passing through a pasture, in gate alleyways, at up to 20 feet. While this is done with portable, hand-held or fixed end units. Unique numbers to never be repeated, traceback faster than 48 hours. The committee will hear from one of these manufacturers this next week in Ohio. Thank you.

MR. KELLY: Thank you, Mr. Hayes. Our next five speakers are Jack McNamee, John Swanz, Bob Lonfeldt, Cork Mortensen, and Hugh Broadus.

MR. MCNAMEE: Most of my concerns, people have already addressed. I will reiterate a few things, though, things like confidentiality, because that is utmost in our industry. They're talking about antennas and having 20 feet to read them, that's not gonna work for me either. I don't have any horses that I can ride around with an antenna holding out and trying to go within 10 to 20 feet of my cattle.

I also haven't heard anybody deal with, how do we handle the cattle that die, especially the cattle that we can't find? We lose cattle out there in these places and you cannot find these cattle. Some of them you don't find until you find a skeleton a year later. I want to know how we're supposed to handle those.

And again, if you implement this ID program without addressing the foreign cattle, I think you're putting the cart in front of the horse. I notice that you had a chart up there that mentioned the foot and mouth problem in England. If I'm not mistaken, that same year we were importing beef from

Argentina, which is a hot spot for foot and mouth. So to say that it's a terrible, terrible thing while we're still letting these cattle come in I think is absolutely a joke.

I would encourage use of a hot iron brand as a permanent, especially on the imported cattle, and the use of state vets to implement these programs and make sure that they're kept up to snuff. And if there is a confidentiality rule put in this thing, it's gotta have teeth so that if somebody breaks the rule, this information is slipped to the packers, somebody needs to hang for it. I'd like to see a lot of teeth put into that. Thank you again for coming out and listening to us. I appreciate it.

MR. SWANZ: Good afternoon, Secretary Hawks and Dr. Ragan. My name is John Swanz. I'm president of the Montana Stockgrowers. Here I'm representing today approximately 2,000 members of our organization that make their livelihood strictly in the livestock industry.

First of all, I'd like to thank USDA for their efforts to obtain ranchers' input as they intend to develop an individual animal ID system for our country. Our industry has seen several serious challenges in development and I think the ID system may be well viewed to be the greatest challenge the industry will face for some time.

You will no doubt learn today, if you haven't learned before, that many ranchers question the need for an individual animal identification system. Until last December our organization had an established policy in opposition to individual animal ID. That policy was amended in our annual meeting that now states that we recognize the need for a national livestock identification system and therefore support the industry in the development of an economically feasible national identification system with continual recognition of the hot iron brand as a method of identification where appropriate.

Montana has one of the most successful hot iron brand programs in the country, and that system has been used effectively to trace animals in a number of situations. We realize that individual animals are not identified and therefore not traceable, but in Montana brand registration and inspection must be part of an effective program.

As we have learned more about the individual animal identification system and the intent to apply that to all ranching operations, a number of concerns have developed. To be successful, the program should be a partnership between industry, state, and national government. State livestock agencies must be included in these programs and must be given authority to do so.

Another concern of the industry is confidentiality of information. While we understand the need for governmental access to some of the information bearing on animal disease, producers must be protected from unauthorized use of information maintained in the system.

Another significant concern to the livestock industry is the cost of implementation. This concern, of the cost is not only the initial start-up costs, but also the ongoing costs from the implementation. We are also concerned with the ability to develop a program that meets the needs of the many operations that exist in Montana in a way that is the least burdensome for producers.

It would be very easy to list the unanswered questions and challenges associated with the ID program and throw our hands in the air and quit before we start. However, our experience with the case of BSE in Washington state demonstrates that as a nation we need to be able to track these animals.

I would also like to thank you for your support of the pilot program and for the opportunity to be here today. Thank you.

MR. LONFELDT: Secretary Hawks, on behalf of the Montana sheep industry, we appreciate your leadership in conducting this hearing regarding development of an Animal Identification Program. I am Bob Lonfeldt, a sheep rancher from Lovina [phonetic], Montana and currently serve as the president of the Montana Woolgrowers Association.

Montana is the fifth-largest sheep producing state in the nation and Montana is proud to be part of the sheep industry. Our industry has a national animal health program in place that includes a mandatory identification system, namely the Scrapie Eradication Program. We have over 50,000 sheep operations nationwide already enrolled with premise identification and means of identification, tags, distributed. This program, implemented by regulation in August of 2001, provides the basis for our view, and we believe a model, for fitting the sheep industry into a national ID system.

Following are some of the points the industry feels are the most important to identification. Cost of identification supplies and devices should be provided by the public sector. We, the producer, provide the labor. Implementation of a national ID system for livestock in the sheep sector should not be duplicative of the National Scrapie Eradication Program ID requirements, and a seamless transition to another system should be planned and announced well ahead of the time with supplies available through well-organized distribution channels.

A national ID system for sheep should accommodate all the various production systems in the U.S., including group movement of old animals for management purposes, as well as movement through feeder and slaughter channels. A readily visible means of identification must be included in the sheep identification system.

A national ID system should include the management, marketing, and business needs of the

sheep industry. A national ID system for sheep should be thoroughly field tested before implementation, and implementation of this system should not economically burden any sectors of the U.S. sheep industry.

Currently I have several thousand scrapie tags or premise identifiers for my ranch, and individual ear tag numbers on each tag. I've been tagging all sheep two years and older for several years when they move off the ranch. Also, last year, it became a requirement to tag all sheep that were sold to the local auction house. This includes lambs. It seems to me we just need to incorporate the scrapie program into the National ID Program.

A key issue that I believe must be addressed with sheep ID groups include procedures for lost tags, compatibility of all ID tags and the associated equipment on a national basis, privacy of data. Thank you.

MR. MORTENSEN: My name is Cork Mortensen. I'm one of the directors for the Montana Farm Bureau organization here in Montana. As far as the Montana Farm Bureau is concerned, we support the board and the Department of Livestock to give us guidance in this area.

Montana Farm Bureau also supports a policy of a method of identification of a hot iron brand. It is refreshing to hear you speak of our brand system because we have a lot of faith in the Department of Livestock and their knowledge of the livestock industry relative to movement in and out of this state and foreign countries also. Our brand inspection system, as far as we're concerned, and other states have complimented us on it, it's far and away the best in the United States.

Relative to animal health, our animal health is important to the system, which requires the shipper from out of state on cattle that are coming in, or livestock coming into the state as well as

international shipments, to obtain an import permit prior to entry and approved by the department.

At a recent meeting, our summer meeting of committee meetings, we have an equine committee. Now, there are quite a few horse ranches in this state, and they are also identified with a hot iron brand or a freeze brand, and there's something in that industry, thoroughbred quarter horses utilize a lid tattoo, which could be considered. And beyond that, our Farm Bureau--I can't add anything that hasn't already been said. And Secretary Hawks and Dr. Ragan, we thank you for the opportunity to speak to you.

MR. BROADUS: I'm Hugh Broadus. I have a ranch in eastern Montana. We do a lot of farming and cattle producing in our operation, and I'm the lucky one. I'm a cowboy. I have a son and grandson dealing with you people weekly, USDA. I would hate to have to deal with you. This thing is as crazy as the introduction of the wolf. We are already identifying our cattle with a hot iron brand. We have a bangs tag in every heifer female on our ranch. Why can't this happen nationwide? Registered with your veterinarians, who work for the government. Every female in this United States, I believe, is vaccinated, and have this tag in their ear.

Until you people identify the cattle that are coming out of our foreign countries in here, leave us alone. We're doing fine. I never heard of this thing until a Canadian cow had mad cow disease here, and now all of us have got an identification system being stuck down our throats that we don't want. And it sounds to me like it's already implemented. Who implemented it? All of us, after the mad cow out of Canada, this is what we're getting stuck with. I'm against it totally. Thank you.

MR. KELLY: Thank you, sir. We have six more speakers signed in. I'm gonna ask you all six to come down front at once. That would be Larry Novak, Dan Tiegen, Roger Peters, Sam

Horn, Alvin Windy Boy Senior, and Marissa Copoy.

MR. NOVAK: Hi. I'm Larry Novak. I farm in northwestern North Dakota. I'm also on the board of the North Dakota Farmers Union and I'm here today. Thank you for the opportunity.

We've heard a lot today about the cost to producers. I also agree with that, and I also would like to verify that it is vital that a disproportionate share of the amount of the costs do not fall on the livestock producers, particularly the small producers, which would make them least positioned to remain competitive in the marketplace.

There's been talk about liability protection and data sharing and privacy issues. I agree with that. Country of origin labeling is also one of the leading problems with the foreign animals coming in. Most importantly, for the identification and traceability of foreign animals and the meat in the American food supply it must be addressed.

Industry participation is vital for the success of any ID program that there is a full participation and shared responsibility throughout all livestock industries and programs. USDA officials have indicated that the official implementation will begin with the identification of cattle, then hogs, sheep, and poultry. All livestock species must be considered at the onset of implementation to ensure that one size does not fit all.

In order to have the most effective and more critical traceback system, each individual animal must receive an identification number. The method by which the animals will be ID'd must also be clarified and studied. Radio frequency chip technology, for example, is still being perfected and is thought to be in its infancy stage for many cattle producers. If a chip is implanted in the animal's ear and it migrates to another part of the animal, which has been the case, will a meat processor stop their

kill to locate where the chip has lodged in the carcass, or will the microchip, which will be smaller than a pepper plate, be processed into something like hamburger meat?

Due to the overwhelming number of questions in the countryside, a comprehensive educational component to educate the producers of their responsibility is vital. All of this, program cost, liability questions, an information sharing, country of origin labeling, industry participation and producer responsibilities are all questions at the forefront of family farmer ranchers as we discuss animal ID. Thank you for the opportunity.

MR. TIEGEN: Good afternoon. My name is Dan Tiegen. I'm the general manager of the [inaudible] Animal Livestock Company in Montana, speaking today on behalf of the Western Organization Resource Councils and our 8,750 members and 50 local chapters in seven western states. I have a written statement that I'll hand in at the end.

First of all, to ensure consumer confidence in the safety and health of the U.S. food supply while ensuring the economic viability of independent farmers and ranchers is especially important to us. However, we oppose an expensive, centralized system that threatens profiteering, threatens farmers and ranchers with unnecessary costs, invasion of privacy, and unwarranted shifts in liability. We are concerned that the National Animal ID Program does not end up with any of those problems.

First, USDA needs to address the most immediate needs in the wake of discovery of BSE: preventing introduction of foreign animal disease to the U.S. food supply and informing consumers of the country of origin of their food. I'll grant you that being able to find a problem after it emerges and fixing it does rank almost as highly as preventing that problem from occurring in the first place. But, we strongly urge you not to lose sight of the priorities that are most sensible and clear to us here in

cattle country. Prevention should be our top priority.

Second, development of a new, large bureaucratic program would be more expensive for taxpayers and more expensive and intrusive for ranchers, and would take longer to put in place than minor modifications to existing animal ID and traceback programs. Any traceback programs and ID system is best administered by existing state agencies. We do this already quite effectively with brucellosis for cattle, for example. We utilize ear tags, back tags, tattoos, brands, and ID numbers. USDA should not get too carried away with new electronic ID tagging systems. I know this might be a little difficult considering the ID tag lobby in DC since that Canadian cow emerged over the holidays, but this--it may be part of the solution, but it is not the solution.

Additionally, an animal ID program that would collect proprietary information that could collect other information about how animals are produced that could be misused if not strictly controlled. As a rancher, I need to know that my vital information is kept safe from any organization out to do me harm, whether that's PETA, NCDA, or Tyson. Our information is as important to protect as our tax information or our other records. With that, I thank you for your time.

(Applause.)

MR. PETERS: My name is Roger Peters. I'm a rancher in the central part of the state.

[inaudible]

REPORTER: I need you to speak into the microphone.

MR. PETERS: There are three things that scare me about what you said today, is the crack legal team ratcheting up, and the 40 percent increase in the budget in one year. When I hear ratcheting up by government, it's not to my benefit, and a crack legal team usually costs me a lot of

money. Thank you.

(Applause.)

MR. KELLY: Sam Horn.

MR. HORN: [inaudible] I see about the pros and cons of this ID program. I think it would be a good thing. But on the other hand, it could hurt some ranchers. We don't want to open up a can of worms, but if we bring these animals in and it affects the herds, that could wipe us out. We'll do the best we can. I hope we do the right thing.

MR. WINDY BOY SR.: Good afternoon. Alvin Windy Boy Senior, chairman of the Chippewa Creek Tribe and also the Wyoming Stockgrowers Association.

I have, for the record, filed four bullet points, one entitled sovereignty and jurisdiction, and also factors for success, and USDA and tribes. I'd like to also--I have with me a gentleman by the name of Renfer Charia. [phonetic] He's a person from the great country of Nepal, somewhat of a sherpa guide. I find him necessary, because in having to deal with laws and regulations I need a sherpa guide to guide me. We're headed to destinations yet unknown to us, and are we inside of the train or just watching it go by?

The tribes were not consulted during the drafting of the USAIP. USDA works with state authorities but it's still not known to me how does USDA work with tribal governments. I have not seen any process on this issue, how tribal governments can manage animal ID within reservations.

For practical purposes of success of this program, USDA must directly include tribes of America. Statistics show that federally recognized tribes own 96 million acres of land. Most of it's agricultural land. Here again, 65 percent of all minority-owned land in the United States, 164,000

Native Americans utilize the acres for agriculture production. Native American funding has been very low on USDA's budget, 0.001 percent of the USDA budget in fiscal year 1999. The 2004 budget is calling to reduce the percent from the 2003 level to 0.0013 percent, roughly \$20 million than 2001, roughly \$10 million below the 2002 level. Tribes don't have the necessary resources in the case of a disease outbreak situation.

MR. KELLY: Thank you, sir. Our last signed-in speaker is Marissa Copoy.

MS. COPOY: My comments are going to be---

MR. KELLY: Get closer into the microphone.

MS. COPOY: The reason I'm here today is because instead of having these people spend my tax money to trace animals, I'd much rather have them spend my tax money to regulate laws that create a humane condition for animals even if they're used for food. And I know I'm one of those PETA people that you probably--you all probably can't stand, one of those wild, long-haired animal rights activists.

But I was told this spring by a friend that I was working with, and he works with the postal service here in Billings Airport, and he says that at a certain time of the year they get crates of poultry, and he says they're stacked about--they're about this high [indicating] and they're just jammed in there, and they're stacked like five or six stacks high.

And I said, "Well, what happens?" And he goes, "Well, a lot of the times what happens is over 50 percent of these poultry animals die en route." And I said, "Well, how can they afford to sustain those kinds of losses?" And he said, "They don't care. And not only do they not care, but they could reduce the amount of death by shipping them overnight. But instead of doing that, they have--

sometimes those animals will be in those cages for two to three nights without any food and without any water.

And what I'd like to see my tax dollars spent on for veterinary services is regulating a humane use, a humane life and a humane death for animals. I think it's unrealistic to expect people not to use animals for food, but I think there could be laws passed that, rather than tracing all these animals, regulates their humane life and humane death.

And that's all I have to say. I know that you all out there are hard working, and from listening to you I understand you're really hard working, but that's what I'd like to see. That's how I want my tax dollars spent. Thank you.

MR. KELLY: That brings us to the end of our registered speakers. I'm going to turn this back over to Mr. Hawks and Dr. Ragan.

(Additional comments were made by Mr. Hawks and Dr. Ragan and the meeting was concluded at 5:05 p.m.)